

# Time & Effort Reporting

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# Time and Effort Reporting

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- Required documentation that demonstrates sub-recipients' employees charged to federal grants are actually working on those specific grant programs.
- Ensures that salary costs in excess of work actually done are not claimed

# OMB A-87 Circular – Cost Principles

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## Selected Items of Cost (Attachment B); Compensation for personal services (8)

- (A) Is reasonable for the services rendered and conforms to the established policy of the recipient consistently applied to both Federal and non-Federal activities;
- (B) Follows an appointment made in accordance with a recipient's laws and/or rules or policies and meets the requirements of Federal law, where applicable; and
- (C) Is determined and supported as provided in subsection h

## Subsection h

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“Support of salaries and wages. These standards regarding time distribution are **in addition** to the standards for payroll documentation...”

We refer to this supporting documentation as “*time and effort reporting*”

# Time & Effort Reporting

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- Who must complete?
  - ALL employees funded with direct federal dollars
  - Not employees whose salaries are part of the indirect rate computation
  - Not contractors or vendors
- Time and effort reporting is required when any part of an individual's salary is:
  - Charged to a federal program
  - Used as match for a federal program

# Time & Effort Reporting

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- Location of the supporting documentation
  - Kept by the sub-recipient
  - Subject to review
    - ✦ Single Audits
    - ✦ Monitoring
    - ✦ Complaints
- No official format

# Failure to Comply

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- Status of single audit findings in Wisconsin
  - In FY 2011, there were 143 program time and effort single audit findings
  - In FY 2012, there were 22 program time and effort single audit findings. Of those findings, 13 were for districts that received a time and effort finding in FY 2011

# Types of Time & Effort Reports

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- Semi-annual certification
  - Kept by individuals with a “single work objective”
- Personnel Activity Reports (PARs)
  - Kept by individuals with “multiple work objectives”
  - “PARs” is terminology used in A-87



# Types of Work Objectives

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- Single work objective
  - Individual works solely on a single program
    - ✦ Example: Special Education
- Multiple work objectives
  - Individual works on different programs
    - ✦ Example: Special Education and Regular Education

# Single Work Objective

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- Dedicated to a singular purpose
- Completes semi-annual certifications
  - Signed off by the employee or supervisor with first-hand knowledge of the work at least every six months
- Example positions: Special Education teachers (100%); OT or PT therapists; S/L pathologists; audiologists; educational interpreters

# Semi-Annual Certification

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- Signed by the employee

OR

- Signed by the supervisor
  - Flexibility allows for multiple sign-off of employees with single cost objectives
- ALWAYS signed after-the-fact

# Semi-Annual Certification – Type 1

## \*\*\*Janesville School District Semi-Annual Certification Form\*\*\*

Employee: Forrest Thompson

Title: EBD Teacher

Federal Program: IDEA

CFDA: 84.027

Reporting Period: July 1, 2011-December 31, 2011

Fiscal Year: 2012

I have worked 100% under the following single cost objective:

*Ensure that all children with disabilities have available to them a free appropriate public education that emphasizes special education and related services designed to meet their unique needs and prepare them for further education, employment, and independent living.*

Signature: *Forrest Thompson*

Date: *01/15/2012*

# Semi-Annual Certification – Type 2

## \*\*\*Janesville School District Semi-Annual Certification Form\*\*\*

This is to certify that the following individuals have worked 100% of their time from July 1, 2011 through December 31, 2011 (FY 2012) under the IDEA (CFDA 84.027) cost objective:

*Ensure that all children with disabilities have available to them a free appropriate public education that emphasizes special education and related services designed to meet their unique needs and prepare them for further education, employment, and independent living.*

School: Monroe Elementary	
Name	Position
Susan Felt	Speech & Language Pathologist
Lynette Vlasak	Occupational Therapist
Matthew Dasse	LD Teacher

I have first-hand knowledge of the work performed by these individuals.

Rebecca Hill, Director of Special Education, Janesville School District

Signature: *Rebecca Hill* Date: *01/15/2012*

# Recommendations

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- Semi-Annual certifications are the easiest documentation to maintain and keep current
- When determining staff to fund with Federal grants, choose single work objective positions.
- Maintain “blanket” certifications that list all single work objective staff signed off by the supervisor, regardless of funding source
  - Allows business office flexibility to shift personnel costs to Federal grant funding during the year (when the federal funding source allows it, such as IDEA)

# Semi-Annual Certification FAQ

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*How long is ‘too long’ to meet the “after-the-fact” signature requirement?*

Not addressed in the regulations, but common sense dictates that it should be signed within a reasonable time after the end of the six-month period, and certainly before the end of the consecutive six-month period.

# Multiple Work Objectives

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- Employee's with multiple focus areas
- Completes Personnel Activity Reports
  - Demonstrates the amount of actual time spent working on the federal grant objective
- Example positions: School Psychologists; Guidance Counselors; Social Workers; School Nurses; Clerical; Directors of Pupil Services



# PARs must:

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- Be completed after-the-fact
- Reflect actual work performed (not budgeted)
- Must account for total activity of employee
- Be completed *at least* monthly
- Signed and dated by employee

# Personnel Activity Reports (PAR)

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- May include
  - Employer's Name
  - Employee's Name
  - Employee's Position
  - Federal Program Title(s) (CFDA #)
  - Reporting Period
  - Break-out of the employee's work objectives
  - Employee's signature / date
    - ✦ Signature can be a "log in"

# Documentation for PARs

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- When the “super circular” was proposed, clarification was provided that PARs can use a percentage to reflect effort rather than hours. The employee must still base the PARs on fact:
  - Actual effort, not estimated effort
  - Consult supporting documentation when completing the certifications: class schedules, calendars, time tracking software
- More monitoring emphasis will be placed on the system for determining PARs information

# Percentages vs. Hours

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- Helpful – addresses confusion over how to account for work weeks that are not “40 hours”
- 9-month employment vs. 12-month employment
  - Use averaged percentages for the three months where PARs would not be kept because employee is not working – distribution of costs.
  - Although not addressed in current OMB A-87 Circular, clarified in the proposed “Super Circular”

# PARs and Fringe Benefits

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- Fringe benefits include, but are not limited to, the costs of leave (vacation, family-related, sick or military), employee insurance, pensions, and unemployment benefit plans
- The costs must be equitably allocated to all related activities, including Federal awards;
  - If 50% of an employee's salary is claimed from a Federal grant, than only 50% of the fringe benefits can be claimed.

# School Psychologist Schedule

Monday	Tuesday	Wednesday	Thursday	Friday
8:00-8:30 Consult with staff regarding PBIS interventions / data collection	8:00-8:30 Consult with staff regarding PBIS interventions / data collection	8:00-8:30 Consult with staff regarding PBIS interventions / data collection	8:00-8:30 Consult with staff regarding PBIS interventions / data collection	8:00-8:30 Consult with staff regarding PBIS interventions / data collection
8:30-8:45 Break	8:30-8:45 Break	8:30-8:45 Break	8:30-8:45 Break	8:30-8:45 Break
8:45-9:15 PBIS Data Mapping	8:45-9:15 PBIS Data Mapping	8:45-9:15 PBIS Data Mapping	8:45-9:15 PBIS Data Mapping	8:45-9:15 PBIS Data Mapping
9:15-10:30 Student Specific Interventions	9:15-10:00 Student Specific Interventions	9:15-10:30 Student Specific Interventions	9:15-10:00 Student Specific Interventions	9:15-10:30 Student Specific Interventions
	10:00-10:30 Consult with staff regarding PBIS interventions / data collection		10:00-10:30 Consult with staff regarding PBIS interventions / data collection	
10:30-11:00 Special Education Evaluations	10:30-11:00 Special Education Evaluations	10:30-11:00 Special Education Evaluations	10:30-11:00 Special Education Evaluations	10:30-11:00 Special Education Evaluations

<http://sped.dpi.wi.gov/files/sped/pdf/sample-par.pdf>

**Typical Week (not including breaks or lunch):**  
2,225 minutes (100%)

**Positive Behavioral Interventions:**  
525 minutes (24%)

**Special Education:**  
1,170 minutes (52%)

**Other:**  
530 minutes (24%)

\*\*\*Janesville School District Personnel Activity Report\*\*\*

Employee: Joy Binstock

Title: Psychologist

Reporting Period: April 1- 30, 2013

Fiscal Year: 2013

Cost Objective	Eligible Projects	Distribution of Time
Special Education	Fund 27: 011, 341, 347	24%
PBIS Interventions / Rtl	Fund 10: 000, 341	52%
General Education	Fund 10: 000	24%
Total Time:		100%

I hereby certify this report is an after-the-fact determination of the total activity and actual effort expended for the period indicated, and I have full knowledge of 100% of these activities.

Signature: *Joy Binstock*

Date: *05/03/2013*



# CLERICAL STAFF

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- Reminder that clerical staff should normally be charged as an indirect cost, however, can be charged as a direct cost if:
  - (1) administrative or clerical services are integral to a project or activity;
  - (2) individuals involved can be specifically identified with the project or activity;
  - (3) such costs are explicitly included in the budget; and
  - (4) the costs are not also recovered as indirect costs

# SHORT-TERM EMPLOYEES

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- Individuals who complete time sheets or other documentation for compensation
  - ✦ Substitute Teachers
  - ✦ Substitute Paraprofessionals
  - ✦ Tutors
  - ✦ Mentors
  - ✦ Extended School Year Services
- Their documentation for compensation will suffice for time and effort documentation
  - Be sure you can demonstrate how the amount charged to the grant aligns with the compensation documentation!

## Accounting

### When “reconciliation” is required

IF: Payroll is processed based on budgeted or estimated time and activities...

THEN: Payroll records must be compared to time and effort reports *at least quarterly*.

## RECONCILIATION

## Accounting

### **When is an accounting adjustment required?**

If the difference is 10% or more:  
Payroll charges must be adjusted at the time of the comparison.

**AND:** The following quarter's estimates must be adjusted to more closely reflect actual activity.

## **ADJUSTMENT**

## Accounting

### When is an accounting adjustment required?

If the difference is less than 10%:  
No action required until the end of the year.

**BUT:** At year-end the 10% threshold does not apply - in the final quarter, payroll charges for the year must be adjusted to reflect actual time spent as supported by time and effort reports.

# ADJUSTMENT

# Recommendations

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- Analyze: Is the amount of time required to maintain PARs worth the federal program revenue?
  - Consistent schedule: Percentages would be easy to maintain and verify
  - Inconsistent schedule: Identification of day-to-day activities / work would need to be kept by employee to produce monthly percentages
    - ✦ For some centralized services positions, is the time better covered with indirect recovery funds?
- Use a standardized form, such as a spreadsheet with drop down menus
- Identify all of the possible funding sources on the PARs document

# Single Funding Source Single Work Objective

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*A Title I teacher providing only Title I interventions  
100% of the day is charged 100% to the Title I grant.*

- Funding Source? **Title I only**
- Work Objective? **Title I**
- T&E Reporting: **Semi-Annual Certification**

# Multiple Funding Sources Single Work Objective

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*A special education teacher is funded with IDEA funds and funds eligible for state special education categorical aid.*

- Funding Source? **IDEA, Local & State**
- Work Objective? **Special Education Only**
- T&E Reporting: **Semi-Annual Certification**



# Multiple Funding Sources

## Single Work Objective

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*An early childhood special education teacher is funded 80% with flow-through and 20% with preschool entitlement funds.*

- Funding Source? **IDEA flow-through and IDEA preschool**
- Work Objective? **Special Education**
- T&E Reporting: **Semi-Annual Certification**

# Multiple Funding Sources

## Multiple Work Objectives

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*In a targeted assistance school, a teacher provides special education to students 60% of the time (funded by IDEA) and Title I interventions to struggling students 40% of the time (funded by Title I).*

- Funding Source? **IDEA & Title I**
- Work Objective? **Special Ed & Title I**
- T&E Reporting: **PARs**

# Single Funding Source Multiple Work Objectives

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*A Title I Coordinator works 50% of the day coordinating Title I programs and 50% of the day working as the parent liaison*

- Funding Source? **Title I**
- Work Objective? **Title I Coordination and  
Title I Parent Involvement**
- T&E Reporting: **PARs**

My business office staff asked, if the employee is being paid through the “011” account then does that individual have to complete the semi-annual certification?

- No – project “011” is for state aided special education costs. Only staff charged to a federal grant, in this case project 341 or 347, would keep time & effort reports.

When a S/L pathologist is paid a small percentage out of flow-through for SLP Department Co-chair - do we process the semi-annual certifications or the PAR's? She is working with the Special Education program 100%.

- Semi-Annual; assignments such as department co-chair do not qualify as a separate “work objective” – the work objective in this situation is Speech and Language.

I compared PARs information and the amount that I budgeted for salary and benefits for our Coordinator. I found that he worked 32.05 hours instead of 48 hours in a quarter. This is over 10% so I need to do an adjustment on his salary. Do I also need to make adjustments to his benefits?

- An adjustment is only needed if the business office has claimed based on the budgeted amount. But, if the business office has claimed on the budgeted amount, then an adjustment needs to be made to payroll for the next quarter to reflect the previous quarters' actual time distribution. And the adjustment is made to both the salary and the fringe benefit (equitable distribution).

When a Coordinator of School Counseling is paid 10% out of flow-through and her position is 100% Coordinator of School Counseling - do we process the semi-annual certifications or the PARs? (Her 90% is paid out of regular ed/non-federal funds.)

- By charging 10% of her salary and fringe benefits to IDEA, the district must demonstrate, through PARs, that at least 10% of her time is spent working strictly with IEP-related activities or specific special education activities.
- Without need of time and effort reporting, the district could get reimbursement on 10% of the counselor's position by coding the cost to Project 011 (state special education categorical aid – Act 221 [http://sfs.dpi.wi.gov/files/sfs/doc/WiscAct221\\_Districts.doc](http://sfs.dpi.wi.gov/files/sfs/doc/WiscAct221_Districts.doc))

Our teacher in our Title I schoolwide is paid with local funds to teach first grade in the morning to decrease class size for reading and is paid with Title I, Part A funds to teach a supplemental reading recovery class in the afternoon – is PARs required?

- In this situation, the school has a sufficient number of first-grade teachers so there is no supplement / not supplant violation. Because the part-time first-grade teacher is not needed in order to provide the basic education program in the schoolwide school, her salary could be supported by Title I-A funds, even though it is not. Her salary for providing the reading recovery instruction could also be supported by Title I-A funds. And the schoolwide program constitutes a single cost objective. Only semi-annual certification would be required. In a schoolwide, PARs is only required if the individual is working under an administration-type work objective.

We have an elementary school teacher we pay with local funds but use Title I-A funds to pay her for after-school tutoring for low-achieving students. Do we have to do PARs?

- Although the teacher could not be paid with Title I-A funds to provide elementary education, the portion of her time spent on after-school tutoring is easily separated from her teaching position by her schedule. The after-school tutoring is a single cost objective and only semi-annual certification would be required.



A paraprofessional is paid by the district 75% of her time and by special ed for 25%. She spends 100% of her time in the 4K classroom working with both special ed and regular ed. students. Is she a single cost objective??

- Unless the district can demonstrate that the paraprofessional is only there due to students with disabilities, she's not an excess cost of special education, so should not be charged to the federal grant at all.
- If the district can demonstrate that there would be no paraprofessional assigned to that classroom if there were no students with disabilities in attendance, then the position would qualify as a single work objective and semi-annual certification would suffice.

I am a school psychologist. We have been doing Time and Effort reporting and PAR documentation. I had a question about how specific we need to be with documenting our activities. Right now people are struggling with how to document this info in an efficient manner and without taking an hour to document PAR everyday.

- Unless the staff person has a clear schedule that can be used as a basis for demonstrating the percentage of time spent on a work objective, the amount of time this person is suggesting she is taking to complete the required time & effort documentation is not worth it.



OMB  
Circular  
A-87

*Hello, my name is*

**2 CFR Part 200**

**also known as**

**Uniform Administrative Requirements,  
Cost Principles, and Audit Requirements  
for Federal Awards**

**Nickname: Omni Circular**

# Major Changes Ahead

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Became law December 26, 2013; implementation in FY 2016

- Replaced circulars:
  - A-21, Educational Institutions
  - A-87, State and Local Governments
  - A-122, Non-Profit Organizations
  - A-102, State / Local Government Administrative Requirements
  - A-133 Audits of States, Local Governments and Non-Profits
- Department of Education must update EDGAR to reflect the Omni Circular by June 2014

## Background

### Section 200.430

#### Compensation – personal services

Acknowledgement that there were major issues with the existing “time and effort” reporting requirement

First draft of the Omni Circular (originally nicknamed the Super Circular) attempted to fix the requirement and make everyone happy

The draft was better for state and local governments, much worse for higher education...

# Original Draft Proposal

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## OMB Circular A-87

- Called “Personal Activity Reports”
- Completed monthly
- Reconciliation of grant charges done quarterly; amend budget\* if 10% variance

## Proposed Super Circular

- Not given a title, just “certified reports”
- Consistent with the ‘business and reporting cycles’ of the recipient
- Reconciliation of grant charges done quarterly; 10% variance language removed

# Original Draft Proposal

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## OMB Circular A-87

- Account for all activities – emphasis on hourly time keeping
- Signed by employee

## Proposed Super Circular

- Percentage distribution of effort is acceptable
- Signed by employee *or* supervisor



# Feedback / Response

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Still too prescriptive, readers pointed out situations that did not fit into the mold, higher education was especially displeased

All of the proposed language around time and effort reporting was discarded and replaced with:

200.430 (i)(1)

- Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;

Be incorporated into the official records of the non-Federal entity

# Until Fiscal Year 2015-16

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- Current A-87 time and effort rules apply until EDGAR is published
- Single Audit will comply with current time and effort rules, includes PARs
- As soon as EDGAR is published, which might require more stringent requirements than the Omni Circular, DPI will provide guidance and technical assistance

# Technical Assistance

## **Time and Effort**

[http://sped.dpi.wi.gov/sped\\_grant-time-effort](http://sped.dpi.wi.gov/sped_grant-time-effort)

<http://sped.dpi.wi.gov/files/sped/av/time-effort/player.html>

## **Special Education Team Contacts:**

[http://sped.dpi.wi.gov/sped\\_hmstaff](http://sped.dpi.wi.gov/sped_hmstaff)

## **Title I Team Contacts:**

[http://titleone.dpi.wi.gov/ttlone\\_staff](http://titleone.dpi.wi.gov/ttlone_staff)